

30 July 1948

Mr. William H. Jackson
J. H. Whitney and Company
630 Fifth Avenue
New York, New York

Dear Bill:

Allen was in Washington last night and this morning, and we discussed numerous problems at some length. The enclosed memorandum relates to one of the general subjects we discussed.

We thought that it would be advisable to have a general meeting at the end of next week at which some of the questions raised in the enclosed memorandum could be discussed. In the meantime, Allen and I hope to prepare notes on the most important of these questions as a basis for discussion at our meeting. I hope you will do the same.

Allen will be in touch with you to agree on a convenient date for the meeting.

You may also be interested in the enclosed outline which I have prepared in consultation with the other men. It is intended to be a more or less standard outline for the portions of the report dealing with the departmental agencies.

Sincerely yours,



Robert Blum

Enclosures - 2

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MEMORANDUM FOR FILE

SUBJECT: Progress in Developing Survey Group Conclusions: Discussion with Mr. Dulles

1. In discussion with Mr. Dulles, it was agreed that we should attempt as soon as possible to agree upon the major questions which the Survey Group will have to answer and attempt tentatively to develop our conclusions so that we can keep these in mind and readjust them as we write up our final report.

2. Following are some of the questions which we discussed:

- a. CIA's essential functions under the law—are they adequately set forth?
- b. Qualification of CIA (and other intelligence agency) top personnel.
- c. The handling of national intelligence estimates.
- d. Who should do background research and who should coordinate this research?
- e. How should intelligence activities be coordinated?
- f. The question of combining in a single organization responsibilities for coordination, for analysis, and for collection.
- g. The relationship between overt collection and covert collection.

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- i. The relationship of secret operations to secret intelligence.
 - j. The proper place of a central intelligence agency in the Government.
 - k. The internal structure of CIA and the relationship between the offices and the directorate.
 - l. Coordination of counter intelligence activities.

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CONFIDENTIAL**DRAFT****29 JULY 1948****CHAPTERS ON THE DEPARTMENTAL INTELLIGENCE AGENCIES**

Following is a draft of what might be the contents of the various chapters on the individual departmental intelligence agencies. This outline is designed primarily for the Service departments and is not entirely applicable to the State Department. Although it is not necessary to agree to a definitive draft at this time, we should work toward establishing an outline so that it can serve as a guide for completing the work in the individual departments.

1. Organization for Intelligence

This section would be a brief description of the administrative structure and organization within the department and simply establish the framework for the subsequent sections. It would cover the following points:

(a) Staff position of intelligence in the department; its relations and responsibilities to the Secretary, Chief of Staff, Plans and Operations, Field and Overseas Commands; operating responsibilities.

(b) The organization of the intelligence agency, headquarters and overseas.

(c) Budget and personnel strength.

2. Functions and Activities

This section would be a description and appraisal of the intelligence activities of the agency and would seek to relate these various activities to those of other Services and to the operating problems of the department.

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(a) Intelligence requirements. What intelligence does the agency require for the performance of its mission and how are these requirements determined in relation to the requirements of other agencies? Are these requirements adequate and appropriate?

(b) Intelligence collection. What intelligence does the agency receive from other sources and what does it collect itself? Are these arrangements sound? What is the quality of the intelligence collected by the agency? Is collection coordinated and if so how and is the coordination adequate?

(c) Intelligence production. What intelligence does the agency compile and collate? What does it produce in the form of digests, summaries, reviews, etc.? What operational estimates are produced for departmental, CIA, JIC or other purposes? What is the quality of all of this production, and how is this production related to or coordinated with what other agencies are doing?

(d) Counter Intelligence. What is the position of counter intelligence in the department and what is the distinction between security work and counter espionage and other more technical and covert activities? How are these activities related to CIA, FBI, cover and deception?

(e) Special activities. These might deal with such matters as scientific intelligence, target intelligence, deception, etc.

3. Relationships with other Agencies

CIA. To what extent has the department been affected by CIA? Have its activities been expanded or curtailed as a result of

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CIA's existence, and what measure of coordination does CIA exercise? What services are exchanged between CIA and the departmental agency? To what extent does each rely on the other for the collection and production of intelligence it requires?

4. Intelligence Contributions within the Department and the Government

Relations with the Departmental Secretary, the Chief of Staff, Plans and Operations, the Joint Intelligence Committee, the Secretary of Defense, the National Security Council. This would attempt to evaluate the importance of the intelligence agency in the formulation of departmental and national policies.

5. Personnel

An analysis and appraisal of the personnel situation, including training, reserves, quality of personnel, continuity of service, etc.

6. Conclusions and Recommendations